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Counsel for Mercer (US) Inc.

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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|---|---|------------------------|
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| In re: |) | Case No. 12-12020 (MG) |
| |) | |
| RESIDENTIAL CAPITAL, LLC, <u>et al.</u> , |) | Chapter 11 |
| |) | |
| Debtors. |) | Jointly Administered |
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**SECOND SUPPLEMENTAL DECLARATION OF JOHN DEMPSEY IN SUPPORT
OF DEBTORS' APPLICATION FOR ENTRY OF AN ORDER
AUTHORIZING EMPLOYMENT AND RETENTION OF MERCER (US) INC.**

I, John Dempsey, being duly sworn, hereby deposes and says:

1. I am a partner of Mercer (US) Inc. ("*Mercer*"), with offices located at 10 South Wacker Drive, Suite 1700, Chicago, Illinois 60606. I am authorized to execute this declaration (the "*Declaration*") on behalf of Mercer. Unless otherwise stated in this Declaration, I have personal knowledge of the facts set forth within.

2. This Declaration is being submitted as a supplement to the Application (the "*Application*") to Employ and Retain Mercer (US) Inc. as Compensation Consultant to the Debtors *Nunc Pro Tunc* to the Petition Date. [Docket No. 511].

3. Pursuant to paragraph 5 of the Order Authorizing the Employment and Retention of Mercer as Compensation Consultant to the Debtors (the “*Retention Order*”) [Docket No. 778], Mercer is required to file a supplemental affidavit with the Court and serve notice on certain parties prior to any increases in Mercer’s rates.

4. As part of its normal business practices, Mercer reviews the experience and performance of its employees throughout the year and advances employees when circumstances warrant a promotion. Accordingly, Mercer recently evaluated the experience and performance of Analyst Bryan Dluhy and determined that a promotion to Associate was appropriate.

5. Mr. Dluhy’s hourly rate is increasing from \$272.60 to \$348.00. The hourly rate of \$348.00 is similar to the rates of other Associates at Mercer with comparable experience and skills.

6. The Debtors have consented to the rate increase.

7. Except as otherwise indicated, all facts set forth in this Declaration are based upon my personal knowledge.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Dated: November 16, 2012

/s/ John Dempsey
John Dempsey